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THE TRAVANCORE-COCHIN AGRICULTURAL INCOMETAX (AMENDMENT) BILL, 1955.

(Report of the Select Committee)

The Select Committee to which the Bill was referred, have considered the Bill and now submit this, their Report, with the Bill as reported by the Committee annexed thereto.

2. The Bill was published as a Gazette Extraordinary dated the 10th March 1955.

3. The Bill was introduced in the Assembly on the 19th March 1955 and the motion for reference to the Select Committee was adopted on that date.

4. The Committee have recommended that the Bill may be adopted without any amendment.

Trivandrum,
24th March 1955.

P. GOVINDA MENON,
Chairman of the Select Committee

THE TRAVANCORE-COCHIN AGRICULTURAL INCOMETAX (AMENDMENT) BILL, 1955.

(As reported by the Select Committee)

A Bill further to amend the Travancore-Cochin Agricultural Incometax Act, 1950.

Preamble. Whereas it is expedient further to amend the Travancore-Cochin Agricultural Incometax Act, 1950 (Act XXII of 1950), for the purposes hereinafter appearing;

Be it enacted in the Sixth Year of the Republic of India as follows:—

1. *Short title and commencement.* (1) This Act may be called the Travancore-Cochin Agricultural Incometax (Amendment) Act, 1955.

(2) It shall be deemed to have come into force on the 1st day of April 1951.

2. *Amendment of Section 2, Act XXII of 1950.* In Section 2 of the Travancore-Cochin Agricultural Incometax Act, 1950 (Act XXII of 1950), hereinafter referred to as the said Act—

(i) Clause (i) defining the word "Divident" shall be omitted; and

(ii) in clause (s) defining the expression "Total Agricultural Income", for the words, brackets, letters and figures "clauses (a) to (d) of Section 10", the words, brackets, letters and figures "clauses (a), (c) and (d) of Section 10" shall be substituted.

3. *Amendment of Section 10, Act XXII of 1950.* In Section 10 of the said Act, clause (b) shall be omitted.

4. *Omission of Section 14, Act XXII of 1950.* Section 14 of the said Act shall be omitted.

5. *Substitution of new section for Section 21, Act XXII of 1950.* For Section 21 of the said Act, the following section shall be substituted, namely:—

"21. (1) *Power to assess individual members of certain associations and companies.* Where the Agricultural Incometax Officer is satisfied that any association of individuals other than a Hindu undivided family, Marumakkathayam tarwad or a company is under the control of one member thereof, and that such association has been formed or is being used for the purpose of evading or reducing the liability to agricultural incometax of any member thereof, he may, with the previous approval of the Commissioner of Agricultural Incometax, pass an order that the sum payable as agricultural incometax by the association shall not be determined, and thereupon the share of each member in the agricultural income of the association shall be included in his total agricultural income for the purpose of his assessment thereon.

Explanation.—A member of an association who owns the whole or the major portion of the capital of the association shall not by reason only of that fact be deemed to control the firm or association.

(2) The Commissioner of Agricultural Incometax shall not give his approval to any order proposed to be passed by the Agricultural Incometax Officer under this section until he has given the firm, association or company concerned an opportunity of being heard.

(3) Where any member of an association of individuals makes default in the payment of tax on his share of income which has been included in his total agricultural income under the provisions of sub-section (1), such tax may be recovered from the association.

(4) Where agricultural incometax is recoverable from a company or association under this section, a notice of demand shall be served upon it in the prescribed form showing the sum so payable and such compnay or association shall be deemed to be the assessee in respect of such sum, for the purposes of Chapter VI."

6. *Amendment of Section 44, Act XXII of 1950.* In sub-section (1) of Section 44 of the said Act, the words "or on his behalf or treated as paid on his behalf" shall be omitted.

7. *Omission of Sections 46 and 47 in Act XXII of 1950.* Sections 46 and 47 of the said Act shall be omitted.

8. *Amendment of Section 52, Act XXII of 1950.* In Section 52 of the said Act,—

(i) in clause (a), the word and figures "Section 14" shall be omitted; and

(ii) clause (b) shall be omitted.

9. *Substitution of new section for Section 58, Act XXII of 1950.* For Section 58 of the said Act, the following section shall be substituted, namely:—

"58. *Application of Act to supertax.* All the provisions of this Act relating to the charge, assessment, collection and recovery of agricultural incometax except those contained in sub-section (1) of Section 3 and clauses (c), (d) and (e) of Section 10 shall apply so far as may be to the charge, assessment collection and recovery of supertax."

V. KRISHNAMOORTHI,
Secretary.

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